立法會 Legislative Council

LC Paper No. CB(1)1690/05-06 (These minutes have been seen by the Administration)

Ref: CB1/HS/1/05

Subcommittee to Study the Transport Needs of and Provision of Concessionary Public Transport Fares for Persons with Disabilities

> Minutes of fifth meeting on Friday, 12 May 2006, at 3:30 pm in the Chamber of the Legislative Council Building

Members present: Hon LEE Cheuk-yan (Chairman)

Hon LEUNG Yiu-chung Hon LAU Kong-wah, JP

Hon Miriam LAU Kin-yee, GBS, JP Hon Andrew CHENG Kar-foo Hon TAM Yiu-chung, GBS, JP Hon WONG Kwok-hing, MH

Dr Hon Fernando CHEUNG Chiu-hung

Members attending: Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP

Hon CHAN Yuen-han, JP Dr Hon KWOK Ka-ki

Member absent : Hon LEUNG Kwok-hung

Public Officers Attending Mrs Mary MA

Commissioner for Rehabilitation, Health, Welfare and

Food Bureau

Miss Angela LEE

Principal Assistant Secretary for the Environment,

Transport and Works (Transport)

Miss Jacko TSANG

Assistant Secretary for the Environment, Transport and

Works (Transport) 1B

Mr Don HO Assistant Commissioner for Transport/ Management & Paratransit

Mr Kenneth MOK Chief Transport Officer/Planning/ Disabled Transport & Project Transport Department

Attendance by invitation

Equal Opportunities Commission

Mr Raymond TANG Yee-bong Chairperson

Mr Herman POON Lik-hang Chief Legal Counsel

Dr Ferrick CHU Chung-man Head, Policy & Research

Kowloon-Canton Railway Corporation

Mr Victor LEUNG Marketing Manager – West Rail

Ms Ida LEUNG Senior Public Affairs Manager

MTR Corporation Limited

Mrs Miranda LEUNG General Manager – Corporate Relations

The Kowloon Motor Bus Company (1933) Limited/ Long Win Bus Company Limited

Mr Edmond HO Deputy Managing Director

Mr LUI Pochiu Operations Director

Citybus Limited/New World First Bus Services Limited

Mr Mark SAVELLI Deputy Managing Director

New Lantao Bus Company (1973) Limited

Mr Peter MOK
Executive Director

Hong Kong Tramways Limited

Mr David WONG Operations Manager

Disability Alliance on Concessionary Transport Fare

Mr CHEUNG Kam-kuen Director

Hong Kong Association of the Deaf

Miss Wanzy LO Sign-Interpreter

Hong Kong Association of the Deaf

Mr CHAN Kam-yuen

Chairperson of Rehabilitation Policy Sub-Committee Hong Kong Federation of Handicapped Youth

Clerk in attendance: Mr Andy LAU

Chief Council Secretary (1)2

Staff in attendance: Ms Connie FUNG

Assistant Legal Adviser 3

Ms Sarah YUEN

Senior Council Secretary (1)6

Miss Winnie CHENG Legislative Assistant (1)5

I Confirmation of minutes and matters arising

(LC Paper No. CB(1)1388/05-06 - Minutes of meeting on 4 April 2006)

The minutes of the meeting held on 4 April 2006 were confirmed.

II Meeting with deputations, the Equal Opportunities Commission and the Administration

(LC Paper No. CB(1)1427/05-06(01) - Information paper provided by the Administration)

2. <u>Members</u> noted the submission from the Hong Kong Association of the Deaf tabled at the meeting.

(*Post-meeting note:* The submission was issued to members vide LC Paper No. CB(1)1501/05-06 dated 15 May 2006.)

3. The Subcommittee deliberated (index of proceedings attached at **Annex A**).

Meeting with public transport operators

- 4. At the Chairman's invitation, <u>representatives of various public transport (PT) operators</u> presented their views on the provision of concessionary fares to persons with disabilities (PwDs) and how they provided special facilities to cater for the transport needs of PwDs. Whilst PT operators were committed to improving transport facilities to promote the integration of PwDs into society, some considered that financial assistance to PwDs should not be borne by PT operators as they were required to operate according to prudent commercial principles. Subsidy on transport should be provided by the Government from a welfare perspective. Some bus operators also highlighted that due to sharp rises in oil prices, increases in wages and tunnel tolls, and fierce competition in the market, they were faced with an increasingly difficult operating environment. Concern had also been raised about the fairness of providing concessionary fares to selected groups of PwDs.
- 5. <u>Members</u> enquired about the annual profit of individual PT operator vis-à-vis the estimated financial implications of providing concessionary fares to PwDs. <u>PT operators</u> gave an account of their financial positions and provided the annual profit figures for 2005 for members' information. They also remarked that due to uncertainties in the size of the disabled population and in the absence of information about the travelling pattern of PwDs, they could not provide an estimate of the financial implications of providing concessionary fares to PwDs.

Meeting with the Disability Alliance on Concessionary Transport Fare

6. <u>Representatives of the Alliance</u> stressed the need for granting concessionary fares to PwDs to facilitate their full participation and integration into the community. They opined that improvements to transport facilities alone could not enable PwDs to

Action

integrate into the community. Some form of concessionary fares should be provided to PwDs to relieve their financial difficulties. This was in line with practices in other overseas countries. They expressed regrets that the Administration had not exerted its influence to ask PT operators to provide concessionary fares to PwDs despite wide public support. They were also dissatisfied that PT operators were unwilling to provide concessionary fares to PwDs albeit the huge profits earned by them. As a gesture to show their discontent, they walked out in the middle of the meeting.

Meeting with the Administration

- 7. Most members found PT operators' reluctance to provide concessionary fares to PwDs regretful. They opined that Government, being the majority shareholder of MTR Corporation Limited (MTRCL) and the sole owner of Kowloon-Canton Railway Corporation, should exercise its influence in the Boards to effect the concessionary fare scheme for PwDs. A member however held the view that as PT operators were required to operate according to prudent commercial principles under the existing transport policy, it was understandable that they were unwilling to provide concessionary fares to PwDs. To take forward the matter, she opined that the Administration should consider providing funding support to PT operators from a The Administration advised that from the transport policy welfare perspective. perspective, the objective was to provide a barrier-free environment for PwDs. Government currently provided financial assistance to address the PwDs' special needs through the provision of Disability Allowance to PwDs under the welfare policy. Under the Comprehensive Social Security Assistance Scheme, special grants were also payable to disabled persons and persons medically certified to be in ill health.
- 8. <u>A member</u> also remarked that from a welfare perspective, the policy intent of providing concessionary fares to PwDs was no different from that of providing concessionary fares to the elderly. Given that MTRCL had invested substantial funds in improving transport facilities for PwDs, provision of concessionary fares to PwDs would encourage them to travel more, making MTRCL's investment in improvements to transport facilities for PwDs more cost-effective. At his request, <u>the Administration</u> agreed to convey his views to the Board of MTRCL for consideration and report on the outcome in due course.

Admin

- 9. In view of the fact that PT operators were unwilling to provide concessionary fares to PwDs, some members questioned the need for and usefulness of amending the Disability Discrimination Ordinance (DDO) (Cap. 487) under such circumstance. They also commented that Government did not have the determination to request PT operators to provide concessionary fares to PwDs as not much had been done over the past few years. The Administration replied that in the light of PT operators' concern on sizable financial implications of fare concession and possible contravention of DDO, the proposed legislative amendments to DDO and the survey to ascertain the travelling characteristics of the selected groups of PwDs could allay part of the concerns raised by PT operators.
- 10. <u>Members</u> discussed how the concessionary fare scheme for PwDs could be taken forward in the light of the negative feedback from PT operators, and deliberated

Action

on whether Government funding support was required if PT operators refused to provide the concessions in the end. Whilst a general fare increase to cover the foregone revenue associated with the provision of concessionary fares to PwDs might be pursued, some members were worried that this proposal might not be accepted by the travelling public at large. A member also pointed out that consideration could be given to imposing a legal requirement for PT operators to provide concessionary fare to PwDs.

11. After deliberation, <u>members</u> agreed to revisit the subject matter in mid July. The Administration was requested to brief members on the way forward for amending DDO to put it beyond doubt that selective provision of concessionary fares to PwDs would not constitute a contravention of DDO. Meanwhile, the Administration should continue to liaise with PT operators on the funding arrangements for the provision of concessionary fares to PwDs. If PT operators were unwilling to provide concessionary fares on their own, the Administration should work out various options for financing the provision of concessionary fares to PwDs from a welfare or transport perspective for members' consideration instead. <u>Members</u> agreed that the Secretary for the Environment, Transport and Works and the Secretary for Health, Welfare and Food should be invited to attend the next meeting.

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III Any other business

12. There being no other business, the meeting ended at 5:30 pm.

Council Business Division 1 <u>Legislative Council Secretariat</u> 6 June 2006

Proceedings of the fifth meeting of the Subcommittee to Study the Transport Needs of and Provision of Concessionary Public Transport Fares for Persons with Disabilities on Friday, 12 May 2006, at 3:30 pm in the Chamber of the Legislative Council Building

| Time marker | Speaker | Subject(s) | Action required | |
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| Agenda Ite | Agenda Item I – Confirmation of minutes and matters arising | | | |
| 000000 – 000327 | Chairman | Opening remarks by the Chairman Confirmation of minutes of the meeting held on 4 April 2006 (LC Paper No. CB(1)1388/05-06) | | |
| Agenda Ite | m II – Meeting with transp Administration | port operators, the Equal Opportunities | Commission and the | |
| 000328 - 000531 | Chairman Administration | - Briefing by the Administration on the efforts it had made in following up on the Subcommittee's proposal to offer concessionary fares to recipients of Disability Allowance (DA) and Comprehensive Social Security Assistance (CSSA) with 100% loss of earning capacity in the first instance, to be followed by other groups of persons with disabilities (PwDs) (the Subcommittee's proposal) (LC Paper No. CB(1)1427/05-06(01)) | | |
| 000532 - 000652 | Chairman Kowloon-Canton Railway Corporation (KCRC) | - Presentation of views | | |
| 000653 - 000842 | Chairman MTR Corporation Limited (MTRCL) | - Presentation of views | | |
| 000843 - 001058 | Chairman The Kowloon Motor Bus Company (1933) Limited/Long Win Bus Company Limited (KMB/LWB) | - Presentation of views | | |
| 001059 – 001304 | Chairman Citybus Limited/New World First Bus Services Limited (Citybus/NWFBS) | - Presentation of views | | |
| 001305 - 001403 | Chairman New Lantao Bus Company (1973) Limited (NLB) | - Presentation of views | | |

| Time marker | Speaker | Subject(s) | Action required |
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| 001404 - 001536 | Chairman Hong Kong Tramways Limited (HKT) | - Presentation of views | |
| 001537 – 002134 | Chairman Mr WONG Kwok-hing Administration | - Mr WONG Kwok-hing's view that the Government did not have the determination to urge public transport (PT) operators to provide concessionary fares to PwDs, and hence, no progress had been made over the years | |
| | | - Usefulness of introducing legislative amendments to the Disability Discrimination Ordinance (DDO) (Cap. 487) to cater for the Subcommittee's proposal, given that PT operators were unwilling to offer concessionary fares to PwDs | |
| | | - Need for conducting a general travelling characteristics survey of the two groups of PwDs covered by the Subcommittee's proposal (the Survey) | |
| | | - The Administration's explanation that while every effort would be made to encourage PT operators to support the Subcommittee's proposal, the final decision rested with PT operators. The proposed legislative amendments to DDO were required to address PT operators' concern about the legality of selective provision of concessionary fares to certain groups of PwDs | |
| 002135 - 002652 | Chairman Dr Fernando CHEUNG MTRCL | - Request for PT operators' assessment of the financial implications of providing concessionary fares to PwDs | |
| | KCRC | - MTRCL held the view that while substantial investment had been made to improve station facilities to make railway service more accessible to PwDs, it considered the provision of concessionary fares to PwDs a social welfare issue | |
| | | - KCRC indicated that, as a principle, all promotional and concessionary fare schemes would only be considered if they had potential to achieve break-even. Preliminary assessment of the concessions to PwDs indicated that break-even could not be achieved. | |

| Time marker | Speaker | Subject(s) | Action required |
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| 002653 - 003205 | Chairman Dr KWOK Ka-ki Administration | - Dr KWOK Ka-ki expressed regret about MTRCL and KCRC's reluctance to offer fare concessions to PwDs | |
| | | - Dr KWOK's view that Government, being the majority shareholder of MTRCL and the sole owner of KCRC, should exercise its influence in the Boards to effect the concessionary fare scheme for PwDs | |
| | | - The Administration's advice that the two railway corporations had to operate according to prudent commercial principles. Provisions of concessionary fares to PwDs had to be decided by the Managing Boards | |
| 003206 - 004014 | Chairman Mr LEUNG Yiu-chung KCRC MTRCL KMB/LWB Citybus/NWFBS NLB | - Mr LEUNG Yiu-chung expressed regret about the unwillingness of PT operators to bear the full costs of the concession in order to fulfill their corporate social responsibility, despite the general support from the community and the Council | |
| | HKT | - Request for PT operators to estimate the possible financial implications of providing concessionary fares to PwDs under the Subcommittee's proposal | |
| | | - KCRC advised that it did not have such estimate | |
| | | - MTRCL's view that as the Corporation had already put in substantial funds to upgrade transport facilities to cater for the transport needs of PwDs to use railway service, concessionary fares, if required, should be provided by the Government from a welfare perspective | |
| | | - KMB/LWB's elaboration on the difficulties encountered by the companies in providing concessionary fares to PwDs | |
| | | - Citybus/NWFBS's estimate that the revenue foregone would amount to millions of dollars | |
| | | - NLB's advice that it was not in a position to offer concessionary fares to PwDs as the company was already operating at a loss | |
| | | - HKT's view that tram fares were already | |

| Time marker | Speaker | Subject(s) | Action required |
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| | | the lowest among other PT modes and in the absence of information on PwDs' travelling pattern, it would be difficult to make a projection | |
| 004015 - 004730 | Chairman Mr LAU Kong-wah MTRCL | - Rationale for offering concessionary fares to the elderly from a welfare perspective but not PwDs | |
| | | - MTRCL's view that it had already provided assistance to PwDs by putting substantial investment in facility improvements. Moreover, in overseas countries fare concessions to PwDs were mostly provided with Government funding | |
| 004731 – 005049 | Hong Kong Association of the Deaf (HKAD) | - Presentation of views | |
| 005050 – 005449 | Hong Kong Federation of Handicapped Youth (HKFHY) | Presentation of views Representatives of the Disability Alliance on Concessionary Transport Fare walked out of the meeting in protest against the Administration's indifferent attitude and PT operators' reluctance to provide concessionary fares to PwDs | |
| 005450 – 010045 | Chairman Dr Fernando CHEUNG KCRC MTRCL KMB/LWB Citybus/NWFBS NLB HKT | Financial performance of PT operators in previous year Why certain PT operators could not afford to provide fare concessions to PwDs despite huge profits earned in previous year | |
| 010046 - 011005 | Chairman Mr WONG Kwok-hing Administration | - Timetable for introducing legislative amendment to DDO and usefulness of such amendment in the light of the negative responses from PT operators in respect of the provision of concessionary fares to PwDs | |
| | | - Rationale for conducting the Survey at this stage but not years ago, the cost implications and time required for conducting the Survey | |
| | | Administration's assistance to PwDs Administration's advice that it was already providing financial assistance to PwDs in the form of DA and CSSA | |

| Time marker | Speaker | Subject(s) | Action required |
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| | | - Discussion of the appropriateness of enacting legislation to compel PT operators to provide concessionary fares to PwDs | |
| | | - Administration's view that mandatory requirement for PT operators to provide concessionary fares to PwDs was inconsistent with the established policy that PT services were operated commercially in line with the spirit of free enterprise | |
| | | - Members' view that the Secretary for the Environment, Transport and Works (SETW) and the Secretary for Health, Welfare and Food (SHWF) should attend the next meeting of the Subcommittee to answer members' questions | |
| 011006 - 011738 | Mr LAU Kong-wah MTRCL Citybus/NWFBS | - Rationale for MTRCL to provide fare concessions to the elderly from a welfare perspective but not PwDs | |
| | | - MTRCL's remark that in 2005 railway operations still incurred a loss. In order for the MTR to be sustainable, it would be more appropriate for the Government to bear the related cost for the provision of concessionary fares to PwDs as it was a social welfare issue. To fulfill its corporate social responsibility, MTRCL already invested a few hundred millions in improving the transport facilities for use by PwDs | |
| | | - Mr LAU Kong-wah's view that granting of concessionary fares to PwDs would encourage them to travel more, and hence, generating new sources of income for PT operators and making their investments in facility improvements more cost effective | The Administration to take follow-up actions as requested in paragraph 8 of the minutes |
| | | - Citybus/NWFBS's view that an increase in the adult's fare by ten cents could offset the foregone revenue arising from the provision of concessionary fares to PwDs | |
| 011739 – 012417 | Chairman Miss CHAN Yuen-han Administration | - Timetable for amending DDO - Usefulness of amending DDO if PT operators refused to provide fare | |

| Time marker | Speaker | Subject(s) | Action required |
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| | | concessions to PwDs in the end | |
| 012418 - 013008 | Chairman Mr LEUNG Yiu-chung MTRCL Citybus/NWFBS Administration | Query of PT operators' estimate that they could not afford to shoulder the costs incurred for the provision of fare concessions to PwDs MTRCL's reiteration that the provision of concessionary fares to PwDs was a social welfare issue. Moreover, in overseas countries fare concessions to PwDs were mostly provided with Government funding support Administration's confirmation that the Boards of MTRCL and KCRC had been made aware of the request of the Council and PwDs for fare concession to the disabled and the Administration's stance in encouraging provision of fare concessions to PwDs where possible. However, the Administration also had to ensure a balance between the transport needs of PwDs and the provision of safe, efficient and reliable railway service according to prudent commercial principles | |
| 013009 - 013625 | Dr Fernando CHEUNG Chairman Administration | Dr Fernando CHEUNG expressed regret about the unwillingness of PT operators to offer concessionary fares to PwDs despite the efforts made by the Subcommittee and the disability community in pursuing the legislative amendments to DDO and narrowing down the scope of beneficiaries under the concessionary fare scheme Government lacked determination in taking forward the initiative to provide concessionary fares to PwDs and Dr CHEUNG called for immediate action to address the concern of the Subcommittee and the disabled community. SETW and SHWF should attend the next meeting of the Subcommittee Administration's stance and plan on how to proceed further if PT operators refused to provide fare concessions to PwDs | |
| 013626 - 015529 | Ms Miriam LAU Chairman Administration Mr LEUNG Yiu-chung | - Members' view that Government funding support was necessary from a transport or welfare perspective for implementation of a concessionary fare scheme for PwDs. | |

| Time | Speaker | Subject(s) | Action |
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| | Dr Fernando CHEUNG | PT operators could not be forced to provide the concessions because, according to Hong Kong's transport policy, PT operators were required to operate according to prudent commercial principles | |
| | | - Discussion on whether Government should direct MTRCL and KCRC to provide fare concessions to PwDs particularly when the two railway corporations were receiving subsidies from the Government by way of property development rights | |
| | | - Whether a general fare increase should be introduced by PT operators to support provision of fare concessions to PwDs | |
| | | - Administration's view that from the transport policy perspective, the objective was to facilitate PwDs' integration into the community by improvements to transport facilities. PwDs were also given financial assistance to use transport services through DA and CSSA from the welfare perspective | |
| | | - Administration's plan to proceed with the legislative amendments to DDO and the Survey while continuing to encourage PT operators to provide concessionary fares to PwDs | |
| | | - Some members' view on the need to reach a consensus on how to proceed with the provision of fare concessions to PwDs before proceeding with the legislative amendments to DDO and the Survey | |
| | | - Discussion on the Subcommittee's way forward | |
| | m III – Any other business | | |
| 015530 - 015627 | Chairman | - Date and agenda of next meeting | |
| | | - Request for the Administration to report on the progress of the legislative amendments to DDO, to continue liaise with PT operators on provision of fare concessions to PwDs, and to work out possible alternative options for implementing the concession scheme in the event that PT operators were | The Administration to take follow-up actions as requested in paragraph 11 of the minutes |

| Time marker | Speaker | Subject(s) | Action required |
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| | | unwilling to offer concessionary fares to PwDs in the end | |
| | | - SETW and SHWF should be requested to attend the next meeting | |

Council Business Division 1 <u>Legislative Council Secretariat</u> 6 June 2006